

## **The complaint**

Mr G complains that Bank of Ireland (UK) Plc (BoI) failed to tell him that the fixed interest rate on his mortgage was about to expire.

## **What happened**

Mr G has a mortgage with BoI. In September 2022 he took a two year fixed interest rate.

The fixed rate was due to expire on 30 September 2024. BoI says it sent Mr G a letter telling him the rate was about to expire on 2 September. The letter said that if Mr G wanted a new fixed rate to take effect from 1 October, he would need to complete an application and accept an offer by 19 September. Otherwise his mortgage would revert to the standard variable rate – any application completed after 19 September wouldn't take effect until 1 November.

Mr G says he didn't receive that letter. He says that he manages his banking and mortgage online. BoI didn't send him any notification through online banking either – that would have been better than sending it by post. As a result he didn't know of the 19 September deadline.

Mr G made an application for a new rate on 30 September. The application was accepted. But because it was after the deadline, the new rate didn't come into effect until 1 November. Mr G's monthly payment was therefore higher in October. But Mr G only paid the amount that would have been due if the new interest rate had come into effect, not the higher amount on the standard variable rate. His mortgage therefore went into arrears.

Mr G complained. He said BoI hadn't told him his interest rate was due to expire. But he had still applied for a new interest rate in time – before the old one expired. Despite this, he noticed that BoI was trying to collect a higher payment in October, so he stopped the payment and only paid the amount due based on the new interest rate. It wasn't fair that BoI hadn't informed him in time, or that it was expecting him to pay the extra £384 it said was due for October. He said he wanted BoI to acknowledge that he didn't owe this amount and only collect the amount due under the new interest rate.

BoI said that the 2022 mortgage offer said that the fixed rate would end on 30 September 2024. It said it was up to customers to remember when rates expired, and if they wanted a new rate, to apply for one. It said it accepted applications for new rates up to four months before the old one expired. And it said it had written to Mr G at the beginning of September to remind him of the date his interest rate expired and tell him of the deadline for applying for a new one to take effect from 1 October. It said the mortgage was in arrears and Mr G would need to make up the missed amount from October.

Our investigator didn't think the complaint should be upheld. Mr G didn't agree and asked for an ombudsman to review the complaint. He said there was no evidence the letter had been sent. He didn't receive it. And BoI should have sent him an online message.

## **What I've decided – and why**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

The 2022 mortgage offer does make clear that the fixed rate runs until 30 September 2024. Under the rules of mortgage regulation lenders should give customers reasonable notice of changes to their monthly payments.

I'm satisfied that Bol did write to Mr G on 2 September 2024 notifying him of the upcoming change and also notifying him of the deadline for applying for a new rate before October. Although I haven't seen a copy of the specific letter Bol sent to Mr G, I've seen the standard template it uses. And I've seen an entry on Mr G's account confirming the standard rate change letter was sent. I'm satisfied that's enough evidence for me to find that Bol did send the letter. Bol says it also wrote to him six months and three months before the rate expired.

Mr G says he didn't receive the 2 September letter. It's true that post does occasionally go astray. But the vast majority of letters are successfully delivered, so on balance I think it's more likely than not that this letter was delivered too – though Mr G may not remember having seen it, or he may not have appreciated its significance at the time. And even if the letter didn't arrive, that would be exceptional and Bol isn't responsible for problems in the mail service. I've looked at the content of the letter and I'm satisfied it makes clear that the deadline for making an application is the 19th of the month before the rate ends. So, on balance, I'm satisfied Bol did enough to make Mr G aware both that his rate was about to end and that there was a deadline for making an application for a new one to take effect immediately.

Mr G says he manages his finances online, and Bol should have sent him an email or a message through online banking. I see his point, and I see why that would have been more convenient for him. But there's no requirement for a lender to do that, and I can't reasonably find that sending information about his mortgage by post was unfair.

And if Mr G didn't receive the letter, he still knew that his interest rate expired on 30 September – because he applied for a new one. The problem was that he applied after the deadline for it to be in place by 1 October. Mr G knew how the rate switch process worked because he'd been through it before, most recently in 2022. I don't think he can reasonably have expected to have a new rate in place the day after he applied for one.

I don't therefore think that I can fairly uphold this complaint. I'm satisfied Bol wrote to Mr G in good time, notifying him of the deadline. Mr G clearly knew his rate was expiring – because he applied for a new one even though, he says, he didn't receive the letter. Unfortunately, he simply left it too late for the new rate to take effect from 1 October. It took effect from 1 November, which meant his mortgage was on the higher standard variable rate for October. The payment Bol tried to collect was correct, and because Mr G didn't pay it in full his mortgage is in arrears. He'll need to come to an arrangement with Bol to make up the shortfall.

## **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 23 February 2026.

Simon Pugh  
**Ombudsman**